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PROPERTY AND SPECIAL TAXES DEPARTMENT  
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December 20, 2002

No. 2002/086

TO COUNTY ASSESSORS AND INTERESTED PARTIES:

SUMMARY OF 2002 PROPERTY TAXES LEGISLATION

This is a summary of 2002 legislation affecting property taxes. All bills will become effective January 1, 2003, unless otherwise specified.

**AB 81 (Migden), Chapter 57**

*Adds sections 100.9 and 721.5 to the Revenue and Taxation Code.*

**Electrical Generation Facilities.** With respect to certain electric generation facilities with a generating capacity of 50 megawatts or more:

- Transfers assessment responsibility for property tax purposes from the local county assessor to the Board of Equalization beginning January 1, 2003.
- Changes the allocation of property tax revenues derived from these facilities from the county-wide pool system to the specific local tax rate area where the facility is located.

**AB 2238 (Dickerson), Chapter 621**

*Amends section 6254.21 of, and adds section 6254.24 to, the Government Code; amends section 146e of the Penal Code.*

**Public Safety Officials Home Protection Act.** Extends to public safety officials the existing prohibition that any state or local agency cannot post on the Internet the home address or telephone number of any elected or appointed official without first obtaining written permission of that individual.

**Task Force - Protection of Public Safety's Official's Home Information.** Creates an advisory task force, chaired by the Attorney General's Office. Representatives will include those from law enforcement, the judicial community, the legal community, county recorders and assessors, and the business community involved in real estate transactions. The task force report is due September 1, 2003.

**AB 2714 (Aanestad), Chapter 299**

*Adds section 401.16 to the Revenue and Taxation Code.*

**Percent Good Factors.** Provides that if the county assessor uses the reproduction or replacement cost approach to determine the value of tangible personal property or trade fixtures, then both of the following apply:

- If the county assessor depreciates the property using percent good factors published by the Board of Equalization that provide separate factors for property that is first acquired new and property that is first acquired used, the assessor may not average the published factors to apply these factors to both classes of new and used property. However, if information reported by a taxpayer does not indicate whether this property was first acquired by the taxpayer new or used, then the assessor may average the published factors.
- If the county assessor depreciates this property using percent good factors that include a minimum percent good, the minimum percent good factors shall be determined in a manner that is supportable. Assessors can still use minimum percent good factors, but the factors used must be based on some support.

**AB 3033 (Assembly Judiciary Committee), Chapter 759**

*Amends sections 3600 and 17506 of the Family Code and section 408 of the Revenue and Taxation Code.*

**Assessor's Records.** Adds the Department of Child Services to the list of state agencies that may have access to assessor's records.

**SB 1864 (Costa), Chapter 616**

*Amends section 51257 of the Government Code; amends sections 10211, 10212, 10230, 10231, 10233, 10234, 10235, 10236, 10237, 10239, 10240, 10241, 10244, 10246, 10250, 10251, 10252, 10254, 10260, 10260.5, 10261, 10262, 10263, 10264, 10270, 10271, 10273, 10274, 10276 of, adds sections 10230.5, 10255, 10262.2, and 10262.5 to, and repeals section 10265 of, the Public Resources Code; amends sections 402.1, 421.5, 423.4, 423.8 and 426 of the Revenue and Taxation Code.*

**Agricultural Conservation Easements.** Corrects cross-reference errors related to special assessment procedures for these easements. Clarifies the definition of such easements by cross-reference to that found in Public Resources Code section 10211 for purposes of the California Farmland Conservancy Program.

**SB 2086 (Senate Revenue and Taxation Committee), Chapter 214**

*Amends sections 95.35, 254.5, 257, 270, 271, and 465 of, and adds section 327.1 to, the Revenue and Taxation Code.*

**Welfare Exemptions – Notice of Ineligibility.** Changes the date from March 15 to February 15 when the assessor must be notified if property receiving an exemption under section 214.15 or 231 no longer qualifies. §254.5

**Religious Exemptions – Notice of Ineligibility.** Changes the date from June 30 to February 15 when the assessor must be notified if property receiving the religious exemption no longer qualifies. §257

**Subdivision Digital Maps.** Authorizes a county board of supervisors to adopt an ordinance requiring a copy of a recorded digital subdivision map to be filed with the county assessor. §327.1

**Record Retention.** Requires assessor to retain affidavits for first-time welfare exemption, religious exemption, and the disabled veterans' exemption claims for six years after the lien date of the tax year for which the exemption was last granted or three years after the lien date of the tax year for which the exemption was last granted if the documents have been microfilmed, microfiched, imaged, or otherwise preserved on a medium that provides access to the documents. §465

**Correct Cross-Reference Errors.** Makes code section reference corrections. §95.35

This bill also amended section 270 to allow a partial exemption on late-filed claims for aircraft of historical significance exemption and section 271 to change the dates for filing a claim for various exemptions on new purchases of property from prior to the lien date to within 90 days from the first day of the next month after acquired. However, both these changes were inadvertently chaptered out by SB 2092, Chapter 775, which also amended sections 270 and 271. These changes will be reintroduced in 2003 legislation.

**SB 2092 (Revenue and Taxation Committee), Chapter 775**

*Amends sections 62, 62.1, 62.2, 63.1, 69.5, 75.51, 75.55, 172, 172.1, 181, 194, 197, 237, 254, 270, 271, 276, 276.1, 441, 441.5, 480.4, 482, 531.1, 755, 756, 1603, 2611.6, 5801, 5802, 5803, 5811, 5812, 5813, 5831, and 7205.1 of, amends the heading of Chapter 2.6 (commencing with section 172) of Part 1 of Division 1 of, amends and repeals sections 276.2 and 276.3 of, adds sections 259.13 and 531.9 to, and repeals section 620.5 of, the Revenue and Taxation Code.*

**Parent-Child Exclusion.** Reinstates the requirement that the transferor sign the parent-child change in ownership exclusion claim form. §63.1

**Base Year Value Transfers for Persons Age 55 and Over or Disabled Persons.**

- Specifies that "land owned by a claimant" includes a pro rata interest in a resident-owned mobilehome park.
- Extends claim deadline to allow prospective relief for resident-owned mobilehome parks recently reassessed for pro rata changes in ownership
- Allows a taxpayer to qualify for a Proposition 60/90/110 base year value transfer on a prospective basis if their home was destroyed in a disaster and the replacement property was purchased or newly constructed prior to March 24, 1999.
- Provides that prospective relief commences with the lien date of the assessment year in which the claim is filed. §69.5

**Supplemental Assessments.** Increases the tax limitation on supplemental assessments that can be cancelled by the assessor to be equivalent to the low value ordinance exemption limits in section 155.20 by (1) increasing the maximum cancellation amounts from \$20 to \$50; and (2) deleting obsolete language concerning mobilehome accessories. §75.55

**Indian Tribal-Owned Low-Income Housing.**

- Designates that the exemption will be known as the “tribal housing exemption.” §237
- Conforms the definition of lower-income households to that of the federal Native American Housing and Self Development Act and other housing financing programs. §237
- Requires that an annual claim be filed between January 1 and February 15. §254, §259.13
- Provides a partial exemption for late-filed claims (90% if claim is filed after February 15 and before January 1; 85% if claim is filed after January 1). §270
- Allows the exemption to be applied to property acquired after the lien date. §271

**Disabled Veterans’ Exemption.**

- Corrects cross-references to statute of limitations for refunds and cancellations. §276
- Allows a claim to be filed within 30 days of receipt of the USDVA disability rating or on or before the following lien date, whichever is later. §276.1
- Extends the exemption to property owned by a disabled veteran but not lived in on the lien date. §276.2
- Provides that an escape assessment will be issued on a property for a mid-year termination of exemption. §§276.3, 531.1

**Electronic Filing of Business Property Statements.** Authorizes assessors to accept business personal property statements filed electronically and allows business property statements e-filed by taxpayers to be authenticated by means other than a traditional signature. §§441, 441.5

**Escape Assessments-Low Value Exemption.** Permits a county board of supervisors to adopt an ordinance to authorize an assessor not to issue escape assessments when it is not cost effective, but not to exceed \$50 in revenue. §531.9

**Assessment Appeal Deadline Extension.**

- Single County-Wide Deadline. Clarifies that the filing deadline per county is either September 15 or November 30 for all property (real and personal) on either roll (secured or unsecured) dependent upon whether notices are provided to real property on the secured roll. §1603
- Notify Clerk and Tax Collector. Requires the assessor to notify the county clerk and county tax collector by April 1 if notices will be sent to taxpayers by August 1; requires the county clerk to notify the State Board of Equalization of the county’s deadline. §1603
- Statewide Listing. Requires that the Board of Equalization maintain a statewide list of all counties’ filing deadlines. §1603
- Newspaper Publication of Values. Clarifies that notification in a newspaper does not suffice as a means of notice for purpose of the assessment appeal deadline extension. §621
- Miscellaneous Code Reference Updates. Changes various code references to uniform September 15 deadline and repeals section 620.5, which provides a November 15 appeals deadline for property acquired after the lien date that has been effectively obsolete since the establishment of supplemental assessments. §§75.51, 620.5, 2611.6

**Manufactured Homes.**

- Supplemental Assessments. Clarifies that supplemental assessments are *not* to be made for conversion from the vehicle license fee to the local property tax and that supplemental assessments *are* to be made for changes in ownership and new construction. §5802
- Value Guides. Adds the Board's cost handbook (Assessors' Handbook Section 531, *Residential Building Costs*) as a value guide and corrects the names of publications of commercially prepared value guides. §5803
- Vehicle License Fee Delinquency. Deletes obsolete provisions related to transfer to local property taxation due to vehicle license fee delinquency. §5831
- Miscellaneous Code Reference Updates. Corrects code cross-reference errors. §5811, 5813
- Terminology. Substitutes the term "manufactured home" for "mobilehome" in various sections of the Property Tax Law, including the heading of Chapter 2.6 (commencing with section 172) of Part 1 of Division 1. §§62, 62.1, 172, 172.1, 181, 194, 197, 441, 480.4, 482

**Code Reference Errors.** Corrects code cross-reference errors. §62.2, §755, §756

**CONCLUSION**

Bills may be viewed from the Legislative Counsel's Web site ([www.leginfo.ca.gov/bilinfo.html](http://www.leginfo.ca.gov/bilinfo.html)). Additional information based on the Board's bill analyses is contained in the *Legislative Bulletin*. This publication and the Board's bill analyses are posted to the Board's Web site at [www.boe.ca.gov/legdiv/legcont.htm](http://www.boe.ca.gov/legdiv/legcont.htm). The *Legislative Bulletin* was mailed separately to county assessors. If you did not receive a copy, please contact our Legislative Division at (916) 445-5742.

If you have any questions regarding the application of these measures, please contact the Assessment Policy and Standards Division at (916) 445-4982.

Sincerely,

/s/ David J. Gau

David J. Gau  
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Property and Special Taxes Department

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